GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4020
ANSWERED ON:23.03.2001
EVASION OF INCOME TAX BY HOTELS
PUTTASWAMY GOWDA;SU THIRUNAVUKKARASAR

Will the Minister of FINANCE be pleased to state:

(a) whether a number of hotels and restaurants in Delhi have been evading income tax for the last several years;

(b) if so, the action taken against the defaulters; and

(c) the total income tax collected from each hotel located in Delhi during the last three years ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) to (c): There are hundreds of hotels and restaurants in Delhi. Information regarding the income tax evasion and also the Income tax paid by each of such hotels and restaurants is not compiled by the Income Tax Department since the Department does not compile business-wise details of tax paid and tax evaded by assessees. However, appropriate action under the Income Tax Law is taken wherever tax evasion is noticed. During the year 2000, Income Tax searches were conducted in the cases of three hotels/ restaurants in Delhi.